

## REMARKS

### I. 35 U.S.C. § 103(a)

In the Office Action, the Examiner has rejected Claims 1-7, 9-10, and 17-23 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Su, U.S. Publication 2002/0026380, in view of Cohen et al., U.S. Patent 6,505,171, in view of Weiss, U.S. Patent 6,511,377, and further in view of Ryoo, U.S. Patent 6,793,135.

Applicant respectfully disagrees with the Examiner's conclusion. In independent Claims 1 and 17, Applicant claims:

1. A system for secure and private on-line shopping comprising, in combination:

a store housing a plurality of computers, the store functioning as an on-line shopping store where individuals can order merchandise and have the merchandise delivered to the store for pick-up, one can enter a delivery location for the merchandise on one of the plurality of computers if delivery is not to the store;

an on-line shopping store server coupled to the plurality of computers of the on-line shopping store for hosting an on-line shopping store web site **and for hosting a plurality of on-line retailers formed into a single membership network of sites;**

at least one home computer coupled to the on-line shopping store server for accessing on-line retailers from a remote location, **a user of the home computer needing a subscription to access the on-line shopping store server;**

**an in-system on-line store shopping card as the only means for purchasing items from the on-line shopping store and the on-line retailers by individuals using the plurality of computers at the store and remotely at the at least one home computer,** wherein the on-line store shopping card is a pre-paid card having an assigned monetary value, individuals using the on-line store shopping card being able to return the on-line store

shopping card for cash on unused credit after shopping at the store; and

an on-line store shopping card server coupled to the on-line shopping store server for verifying authenticity and monetary value of the on-line store shopping card, for crediting and debiting the monetary value of the on-line store shopping card, and for transferring payments to and from a user of the on-line store shopping card and the on-line retailers.

17. A method for making secure and private on-line purchases comprising the steps of:

providing a store housing a plurality of computers, the store functioning as an on-line shopping store where individuals can order merchandise and have the merchandise delivered to the store for pick-up;

providing at least one home computer for ordering merchandise from a remote location;

providing an on-line shopping store server coupled to the plurality of computers of the on-line shopping store and the at least one home computer for hosting an on-line shopping store web site **and for hosting a plurality of on-line retailers formed into a single membership network of sites**, a user of the home computer needing a subscription to access the on-line shopping store server;

purchasing an on-line store shopping card, **the on-line store shopping card is the only means for purchasing items from the on-line shopping store** and the on-line retailers wherein the on-line shopping card is a prepaid card having an assigned monetary value and identification number, individuals using the on-line store shopping card being able to return the on-line store shopping card for cash on unused credit after shopping at the store;

selecting goods and items to purchase;

entering the identification number of the on-line store shopping card;

**verification of the identification number and funds remaining on the on-line store shopping card by an in-network server**; and

entering a delivery location of the goods and items purchased if delivery is not to the store when the identification number and funds are verified.

In Applicant's claimed invention, Applicants provides an on-line shopping store server coupled to the plurality of computers of the on-line shopping store and the at least one home computer. The server hosts an on-line shopping store web site and **a plurality of on-line retailers. The on-line retailers are formed into a single membership network of sites.** A user of the home computer will need a subscription to access the on-line shopping store server.

The system further has **an on-line store shopping card as the only means for purchasing items from the on-line shopping store and the on-line retailers by individuals using the plurality of computers at the store and remotely at the at least one home computer.** The on-line store shopping card is a pre-paid card having an assigned monetary value where individuals using the on-line store shopping card are able to return the on-line store shopping card for cash on unused credit after shopping at the store.

The system further has an in-system on-line store shopping card server coupled to the on-line shopping store server. The in-system card server is used for verifying authenticity and monetary value of the on-line store shopping card, for crediting and debiting the monetary value of the on-line store shopping card, and for transferring payments to and from a user of the on-line store shopping card and the on-line retailers.

The Examiner claims that Cohen discloses the use of the on-line shopping card. Applicant respectfully disagrees. The on-line shopping card used in Cohen is 3<sup>rd</sup> party card. The 3<sup>rd</sup> party cards are processed by a third party administrator and thus require the use of an out of system server. In contrast, the on-line store shopping card used in Applicant's invention is provided by the on-line store and not a 3<sup>rd</sup> party and is processed by an in-system server. Thus on-line store shopping card is processed by the on-line store card server which is within the network and not a third party server outside of the network. Thus, Applicant's claimed invention simplifies prior art systems since processing of funds is all accomplished within the network/system and one does not have to go outside the network to access 3<sup>rd</sup> party servers for processing of funds. This is further emphasized in the method of Claim 17.

Furthermore, the on-line shopping card is the only mechanism used for purchasing items from the on-line store or on-line retailers that are formed into a single membership network of sites associated with the on-line store.

Furthermore, the legal standard for obviousness under 35 U.S.C. 103 has been the subject of much analysis. The Federal Circuit has enunciated several guidelines in making a Sec. 103 obviousness determination.

A prima facie case of obviousness is established when the teachings from the prior art itself would appear to have suggested the claimed subject matter to a person of ordinary skill in the art.

In re Bell, 991 F.2d 781, 783, 26 U.S.P.Q.2d 1529, 1531 (Fed Cir. 1993) (quoting In re Rinehart, 531 F.2d 1048, 1051 (C.C.P.A. 1976)).

{T}he examiner bears the burden of establishing a prima facie case of obviousness based upon the prior art. "{The Examiner} can satisfy this burden only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references." (Emphasis added)

In re Fritch, 972 F.2d 1260, 1265, 23 U.S.P.Q.2d 1780, 1783 (Fed Cir. 1992) (citing In re Piasecki, 745 F.2d 1468, 1471-72, 223 U.S.P.Q. 785, 787-88 (Fed. Cir. 1984) and In re Fine, 837 F.2d 1071, 1074, 5 U.S.P.Q.2d 1596, 1598 (Fed. Cir. 1988) (citing In re Lalu, 747 F.2d 703, 705, 223 U.S.P.Q. 1257, 1258 (Fed. Cir. 1988))).

For the Examiner to establish a prima facie case of obviousness, the Examiner must contend that the teachings from the prior art itself or that knowledge generally available to one of ordinary skill in the art would appear to suggest the claimed subject matter to a person of ordinary skill in the art.

Perhaps the Examiner somehow believes that one of ordinary skill in the art could conceivably combine the cited references to produce Applicants' claimed invention. But the Federal Circuit has held that

obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching or suggestion supporting the combination. (Emphasis added)

In re Bell, 991 F.2d 781, 783, 26 U.S.P.Q.2d 1529, 1531 (Fed. Cir. 1993) (citations omitted).

Obviousness is tested by "what the combined teachings of the references would have suggested to those of ordinary skill in the art." (Emphasis added) But it "cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching or suggestion supporting the combination." (Emphasis added)

In re Fine, 837 F.2d 1071, 1075, 5 U.S.P.Q.2d 1596, 1599 (Fed. Cir. 1988) (citing In re Keller, 642 F.2d 413, 425, 208 U.S.P.Q.871, 881 (C.C.P.A. 1981) and ACS Hosp. Sys. v. Montefiore Hosp., 732 F.2d 1572, 1577, 221 U.S.P.Q. 929, 933 (Fed. Cir. 1984)).

Something in the prior art as a whole must suggest the desirability, and thus the obviousness, of making the combination.

Uniroyal, Inc. v. Rudkin-Wiley Corp., 837 F.2d 1044, 1051, 5 U.S.P.Q.2d 1434, 1438 (Fed. Cir. 1988) (citing Lindemann, Maschinenfabrik GmbH v. American Hoist and Derrick Co., 730 F.2d 1452, 1462, 221 U.S.P.Q. 481, 488 (Fed. Cir. 1984)).

Applicant respectfully yet strenuously contends that the Examiner has shown no teaching nor suggestion in any one of the cited references or elsewhere of Applicant's claimed apparatus to support a conclusion of obviousness.

Applicant respectfully submit that the Examiner has fallen into the common trap of hindsight reconstruction, which has been frequently denounced by the Federal Circuit as inappropriate to support a finding of obviousness.

The obviousness standard, while easy to expound, is sometimes difficult to apply. It requires the decisionmaker to return to the time the invention was made. "the invention must be viewed not with the blueprint drawn by the inventor, but in the state of the art that existed at the time."

Uniroyal, Inc. v. Rudkin-Wiley Corp., 837 F.2d 1044, 1050-51, 5 U.S.P.Q.2d 1434 (Fed. Cir. 1988) (quoting Interconnect Planning Corp. v. Feil, 774 F.2d 1132, 1138, 227 U.S.P.Q. 543, 547-548 (Fed. Cir. 1985)).

It is clear from the Examiner's rejection that, absent the "blueprint" of Applicants' disclosure, the prior art has no

suggestion or teaching of Applicants' claimed invention. The Federal Circuit has also stated:

It is improper to use the patent as an instruction manual to lead to elements of the prior art.  
Panduit Corp. v. Dennison Mfg. Co., 810 F.2d 1561, 1568 (Fed. Cir. 1987).

It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious.  
In re Fritch, 972 F.2d 1260, 1266, 23 U.S.P.Q.2d 1780, 1784 (Fed. Cir. 1992) (citing In re Gorman, 933 F.2d 982, 987, 18 U.S.P.Q.2d 1885, 188 (Fed. Cir. 1991)).

It is very clear from the Examiner's language that Applicants' claimed invention is only rendered invalid for obviousness if the Applicants' claimed invention is used as an instruction manual, or template, for modifying the cited prior art. With each Amendment Letter Applicant files, the Examiner just adds a new reference in the Office Action to justify the rejection of the patent application. Absent the knowledge gleaned from Applicants' disclosure, there is no suggestion or teaching in the cited prior art or in the general knowledge in the art to support the Examiner's assertion that Applicants' claimed invention would have been obviousness to one of ordinary skill in the art. The Federal Circuit has also stated:

When prior art references require selective combination...to render obvious a subsequent invention, there must be some reason for the combination other than the hindsight gleaned from the invention itself.  
Uniroyal, Inc. v. Rudkin-Wiley Corp., 837 F.2d 1044, 1051, 5 U.S.P.Q.2d 1434, 1438 (Fed. Cir. 1988) (citing Interconnect Planning Corp. v. Feil, 774 F.2d 1132, 1143, 227 U.S.P.Q. 543, 551 (Fed. Cir. 1985)).

The Examiner has cited no reason for modifying the cited references to allegedly achieve Applicants' claimed invention other than the knowledge gleaned from Applicants' disclosure. For this reason the Examiner has failed to establish a prima facie case of obviousness based on a combination of these specific references.

For the above reasons, Applicant respectfully submits that the above arguments effectively traverse the Examiner's rejection of the claim under 35 U.S.C. § 103(a). Such action is earnestly solicited.

## II. Conclusion


Applicant respectfully submit that Applicant's claimed invention is deserving of patent protection because it describes a useful and functioning apparatus which is patentably distinguishable over the prior art.

In conclusion, Applicant respectfully submits that this Amendment Letter, including the amendments to the Claims, and in view of the Remarks offered in conjunction therewith, are fully responsive to all aspects of the objections and rejections tendered by the Examiner in the Office Action. Applicant respectfully submits that he has persuasively demonstrated that the above-identified Patent Application, including Claims 1, 3-10, and 17-19 are in condition for allowance. Such action is earnestly solicited.



If the foregoing does not place the case in condition for immediate allowance, the Examiner is respectfully requested to contact the undersigned for purposes of a telephone interview. If there are any fees incurred by this Amendment Letter, please deduct them from our Deposit Account NO. 23-0830.

Respectfully submitted,



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